

# FISCAL NOTE

**Bill #:** SB0432

**Title:** Establish appraisal trainee classification

**Primary Sponsor:** Grimes, D

**Status:** As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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## Fiscal Summary

	<b><u>FY 2004 Difference</u></b>	<b><u>FY 2005 Difference</u></b>
<b>Expenditures:</b>		
State Special Revenue	\$5,600	\$1,200
<b>Revenue:</b>		
State Special Revenue	\$6,000	\$1,500
<b>Net Impact on General Fund Balance:</b>	\$0	\$0

- |   |  |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact    | <input checked="" type="checkbox"/> Technical Concerns           |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts           |
| <input type="checkbox"/> Dedicated Revenue Form Attached  | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

## Fiscal Analysis

### ASSUMPTIONS:

1. The Board of Real Estate Appraisers would assume the responsibility of issuing licenses for real estate appraiser trainees. The Department of Labor and Industry estimates that there are 48 people currently working on their appraiser experience requirements that could be registered as a trainee as of October 1, 2003, the effective date of this bill. The department anticipates 12 new applicants in FY 2005.
2. Operating costs associated with the implementation of a trainee license in FY 2004 would include a special one-day meeting of the Board of Real Estate Appraisers (7 board members) to review and make a determination of the requirements and administrative rules. The cost is estimated to be: \$3,350 (\$350 per diem and \$3,000 travel); administrative rule notices at a cost of \$320 (8 pages @ \$40); programming of oracle for the new license code at \$500; \$230 printing costs; and \$1,200 for 80 hours of administrative duties based upon time and labor at a cost of \$15 per hour.
3. Costs in FY 2005 would include \$1,200 for 80 hours of administrative duties based upon time and labor at a cost of \$15 per hour.
4. It is assumed that current level FTE would be utilized.
5. Revenue in FY 2004 is estimated to be \$6,000 based upon an assumed number of 48 trainees that would be required to obtain a license at an application and license fee of \$125. It is assumed that the duration of the license would be for two years and the originally licensed 46 trainees would not be required to renew

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(continued)

in FY 2005. Revenue in FY 2005 is estimated to be \$1,500 based upon an estimate that there would be 12 new trainee applicants.

**FISCAL IMPACT:**

<b>DOLI (05)</b>	<b><u>FY 2004 Difference</u></b>	<b><u>FY 2005 Difference</u></b>
<u>Expenditures:</u>		
Personal Services	\$1,550	\$1,200
Operating Expenses	<u>4,050</u>	<u>0</u>
TOTAL	\$5,600	\$1,200
<u>Funding of Expenditures:</u>		
State Special Revenue (02)	\$5,600	\$1,200
<u>Revenues:</u>		
State Special Revenue (02)	\$6,000	\$1,500
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
State Special Revenue (02)	\$400	\$300

**TECHNICAL NOTES:**

1. The bill will need a coordination clause with HB 174, which proposes to repeal 37-54-304, MCA. If HB 174 and this bill pass, then Section 3 of this bill would need to be deleted.